

# INFORMATION REPORT

CD NO.

25X1A

COUNTRY Germany (Russian Zone)

DATE DISTR. 21 April 1952

SUBJECT Garantie - und Kreditbank, Magdeburg

NO. OF PAGES 3

PLACE  
ACQUIRED [REDACTED]

NO. OF ENCLS.  
(LISTED BELOW) 25X1A

DATE OF  
INFO. [REDACTED]

SUPPLEMENT TO  
REPORT NO. 25X1X

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1. The Garantie- und Kreditbank Magdeburg is a branch office of the Garantie- und Kreditbank (GKB) Berlin, Jägerstrasse 49-50; besides the central office there are five branch offices. The other four branches are GKE Halle, GKB Leipzig, GKB Dresden and GKB Erfurt. The Magdeburg branch office was located in Schwerin until the summer of 1951 when it was transferred to Magdeburg, Steubenallee 1.

2. Director General of GKB Magdeburg is a Russian, M. M. Ladygin. Nikolai Alexeevich Ebrakov is Chief Bookkeeper. The post of Chief Credit Inspector is held by Vassili Vlassovich Levchenko. They are the only Russians working in the Magdeburg branch, which employs 21 Germans.

3. The bank has four departments:

- a. Bookkeeping department headed by Oberwirtschaftsleiter Richard Pich.
- b. Operations department (Operative Abteilung), headed by Gisela Strauer, in charge of the bank's cash business.
- c. Credit department, headed by Levchenko. Levchenko's deputy in this department is Hans Maier.
- d. Document department, headed by Helmuth Schmid; handles the export business.

4. Following is a list of accounts administered by GKB Magdeburg:

Erect Thälmann works (formerly Krupp-Gruson) of SAG AMO, Magdeburg  
Karl Liebknecht works (formerly Thalkau-Wolf) of SAG AMO, Magdeburg  
Otto Gruson works of SAG AMO, Magdeburg  
Mackensen works of SAG AMO, Magdeburg  
SAG AMO Central Headquarters, Magdeburg  
SAG AMO Central Construction Office, Magdeburg  
Derutra Magdeburg  
Derunapht Magdeburg  
Karl Marx works (formerly Schäffer und Budenberg) of SAG Transmasch, Magdeburg  
Gerätebau Schönebeck of SAG AMO  
Neptun shipyards of SAG AMO, Rostock  
Polysilium Dessau of SAG AMO  
Eisen- und Ritterwerk Thale of SAG MATIM

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Cementfabrik Nienburg of SAG ZEMENT  
Papiersackfabrik Nienburg of SAG ZEMENT  
Seefilm (presumably in Wismar)  
Haus der Marine, Wismar  
Haus der Marine, Warnemünde

The foregoing list includes the regular accounts administered by GKB Magdeburg\*. In addition, there are special accounts, so called "Direktorfonds", which are kept for the Directors General of the above-named enterprises (with the exception of the two Häuser der Marine). These accounts are at their disposition for special purposes such as cultural and propaganda actions.

5. GKB Magdeburg keeps accounts for Russian customers only; no Russian military unit, however, is among its customers. The branch does not maintain the account of any P.M. unit.
6. The accounts of the two Häuser der Marine\*\* are cash accounts only. All other customers have cash and credit accounts.
7. GKB Magdeburg is authorized to grant credits to any of the account holders, except the two Marine, to a maximum of three Million DME. Credits in excess of this amount must be approved by GKB Central in Berlin. Credits are granted for a maximum of nine months.
8. Following is the procedure followed by an SAG customer desiring a credit from GKB Magdeburg : A credit application must be forwarded by the SAG works to the bank. The application must be signed by the Director General of the plant and by its Russian and German Chief Bookkeepers. Application could be made on an informal sheet in typewriting until 1 January 1952. As of that date, it was required made out on a special credit application form. Upon receipt of the application, the bank sends a member of its credit department to the firm to ascertain if the credit is necessary and if it is fully backed up by securities. No credit is granted without adequate security. The result of this investigation is recorded in a protocol which is signed by the Director General and the bank representative. The protocol is made in two copies; one copy is filed at the plant, the other one goes to the bank. Ladygin decides, on the strength of this protocol, whether the credit will be granted in total, partly granted, or refused.
9. GKB Magdeburg is fully informed on the business of each of its customers. Each customer plant must forward a copy of its production or business plan to the bank; there it is kept in the operations department. The bank also keeps, in the credit department, a so-called title list (Titelliste) of each works. This list, broken down into four quarters, contains planned capital investments, expenditures for raw materials and all other expenses other than salaries and wages. Each firm must supply this list in two copies. These go from the individual works to its Central Headquarters, then to SAG Headquarters, Berlin-Weissensee, on to Moscow, then back to Central Headquarters with Moscow approval or rejection or any changes which Moscow may have inserted. One copy is then filed at Central Headquarters of the individual plant, the other one is forwarded to GKB Magdeburg.\*\*\*
10. The document department of GKB Magdeburg has a heavy mail traffic with Diamasch. Thick mail packages are sent registered from the bank to Diamasch on the evening of every business day. \*\*\*\*
11. The cash of the bank is kept in a vault in its basement, accessible through two doors. Ladygin and Bobrikov have keys to the first door. The only keys to the second door are in Bobrikov's possession. The vault is opened every morning at the start of business by Ladygin and Bobrikov in the presence of German cashier Felix Schellberg. The cash is then counted and part of it taken upstairs to the cash department. At the close of business, the cash left in the cash department is taken into the vault by the same persons.

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\* [redacted] Comment): One or two accounts may have been omitted.

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\*\* [redacted] Comment): The function of the Häuser der Marine is unknown. They are possibly recreation centers for the Russian Navy.

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\*\*\* [redacted] Approved For Release 2001/12/05 : CIA-RDP82-00457R011400070003-9  
\*\*\*\* [redacted] The procedure is known only insofar as GKB Magdeburg is involved. It is believed, however, that the same procedure applies to all branches of GKB.

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\*\*\*\* **Comment.** Probably DIA-Maschinen.